

**PROPERTY ASSESSMENT APPEAL BOARD**  
**FINDINGS OF FACT, CONCLUSIONS OF LAW, AND ORDER**

PAAB Docket No. 2019-107-00214R

Parcel No. 8947-16-206-001

**Callin Cummings,**

Appellant,

vs.

**Sioux City Board of Review,**

Appellee.

---

**Introduction**

This appeal came on for hearing before the Property Assessment Appeal Board (PAAB) on October 21, 2019. Callin Cummings was self-represented. Attorney Angie Schneiderman represented the Sioux City Board of Review.

Callin Cummings, LLC (Cummings) owns a residential property located at 3532 Virginia Street, Sioux City. The property's January 1, 2019, assessment was set at \$152,600, allocated as \$34,500 in land value and \$118,100 in dwelling value. (Ex. A).

Cummings petitioned the Board of Review contending the assessment was not equitable compared to the assessments of other like property and the property is assessed for more than the value authorized by law. Iowa Code § 441.37(1)(a)(1 & 2) (2019). The Board of Review denied the petition.

Cummings appealed to PAAB reasserting his inequity and over assessment claims. § 441.37(1)(a)(1 & 2).

**General Principles of Assessment Law**

PAAB has jurisdiction of this matter under Iowa Code sections 421.1A and 441.37A. PAAB is an agency and the provisions of the Administrative Procedure Act

apply. § 17A.2(1). This appeal is a contested case. § 441.37A(1)(b). PAAB may consider any grounds under Iowa Code section 441.37(1)(a) properly raised by the appellant following the provisions of section 441.37A(1)(b) and Iowa Admin. Code Rule 701–126.2(2-4). New or additional evidence may be introduced. *Id.* PAAB considers the record as a whole and all of the evidence regardless of who introduced it. *Id.*; see also *Hy-Vee, Inc. v. Employment Appeal Bd.*, 710 N.W.2d 1, 3 (Iowa 2005). There is no presumption that the assessed value is correct, but the taxpayer has the burden of proof. §§ 441.21(3); 441.37A(3)(a). The burden may be shifted; but even if it is not, the taxpayer may still prevail based on a preponderance of the evidence. *Id.*; *Compiano v. Bd. of Review of Polk Cnty.*, 771 N.W.2d 392, 396 (Iowa 2009) (citation omitted).

### **Findings of Fact**

The subject property is a one-story dwelling built in 1952. It has 1500 square feet of gross living area, full basement with garage stall, two decks, and two patios. It is listed in normal condition with average-quality construction (grade 4+05). The site is 0.258 acres. (Ex. A).

Cummings testified his property is assessed at \$109.87 per square foot,<sup>1</sup> but his review of sales showed they were selling at an average of \$90.86 per square foot. For purposes of this appeal, we note the subject is actually assessed at \$101.73 per square foot. Based on the sale of a neighboring property located at 3526 Virginia Street, Cummings opined a value for his property of \$140,000. (Ex. C).

The record contains information about two sales Cummings offered that sold in 2018 and 2019. (Exs. 1-2). He believes these sales show his property is over assessed. The following table summarizes these two properties.

---

<sup>1</sup> Cummings' calculation appears to take into consideration an 8% equalization order issued by the Iowa Department of Revenue in September 2019. See Iowa Dep't of Revenue, 2019 Final Equalization Adjustments, available at <https://tax.iowa.gov/sites/default/files/2019-09/2019FinalOrders.pdf>. Although PAAB is aware of the equalization order, its application to the subject property can be separately protested under Iowa Code section 441.49(4) and is not currently before PAAB. For the purposes of this order, the subject's assessed value is the pre-equalized amount of \$152,600.

Comp	Address	Year Built	Gross Living Area (SF)	Basement Size (SF)	Sale Date	Sale Price	2019 Assessed Values
SP	Subject	1952	1500	1500	NA	NA	\$152,600
1	920 36th St	1951	912	912	1/2019	\$120,000	\$117,100
2	3526 Virginia St	1954	1004	1004	4/2018	\$140,000	\$140,000

Cummings asserts both properties are located close to the subject, and are similar in age and style. However, both properties are significantly smaller than the subject property; and have 448 and 475 square feet of Rec-Room quality basement finish respectively. In addition to a one-car detached garage, Comparable 2 has a basement garage. (Exs. 1-2, E-F). Cummings did not make any adjustments to these sales for differences between them and the subject property to arrive at an opinion of value.

The assessed-value-to-sales-price ratio of Cummings sales is 0.98 and 1.00 respectively. Ratios less than 1.00 suggest a property is assessed for less than its market value, whereas a ratio greater than 1.00 would suggest a property is assessed for more than its market value.

The Board of Review submitted nine equity comparables summarized in the following table. (Ex. D). The comparables bracket the subject in size and age.

Comp	Address	Year Built	Gross Living Area (SF)	Sale Date	Sale Price	2019 Assessed Values
SP	Subject	1952	1500	NA	NA	\$152,600
1	3518 Douglas St	1950	1364	6/2017	\$167,000	\$147,600
2	3526 Virginia St	1954	1004	4/2018	\$140,000	\$140,000
3	212 31st St	1956	1400	NA	NA	\$153,100
4	3623 Jennings St	1951	1370	NA	NA	\$139,200
5	3631 Virginia St	1955	1400	11/2018	\$179,500	\$163,800
6	3531 Court St	1959	1612	10/2018	\$135,000	\$145,200
7	3502 Virginia St	1950	1492	NA	NA	\$153,100
8	3440 Virginia St	1956	1397	NA	NA	\$149,600
9	3432 Virginia St	1956	1288	NA	NA	\$148,100

The Board of Review notes the comparables' average assessed value per square foot is \$110.04 and the median is \$108.21. It asserts this shows the subject's assessment of \$101.73 per square foot is equitable. Three of the comparables were 2018 sales indicating assessed-value-to-sales-price ratios between 0.91 to 1.08, with an average and median of 1.00.

The Board of Review submitted seven comparable sales it believes support the subject's assessed value. The sales are summarized in the following table. (Exs. O-U). The subject fits within the range of the comparables in terms of size and age.

	Address	Year Built	Gross Living Area (SF)	Sale Date	Sale Price (SP)	SP/SF	2019 Assessed Values
	Subject	1952	1500	NA	NA	NA	\$152,600
1	3630 Pierce Pl	1952	1500	7/2018	\$193,000	\$128.67	\$170,700
2	3626 Pierce Pl	1955	1680	11/2018	\$126,000	\$75.00	\$148,100
3	3614 Pierce Pl	1954	1430	6/2018	\$163,500	\$114.34	\$169,900
4	3327 Douglas St	1974	1092	7/2018	\$168,000	\$153.85	\$168,000
5	3631 Virginia St	1955	1400	11/2018	\$179,500	\$128.21	\$163,800
6	3416 Virginia St	1956	1390	12/2018	\$165,000	\$118.71	\$151,400
7	2900 Grandview Blvd	1950	1413	4/2018	\$165,000	\$116.77	\$163,600

These sales indicate an average sale-price-per-square-foot of \$119.36 and a median of \$118.71. The subject's assessed-value-per-square-foot of \$101.73 is well below this range. The Board of Review asserts the unadjusted sale-price-per-square-foot of its comparables support the subject's assessment. These sales were not adjusted for differences between them and the subject property to arrive at an indicated value for the subject.

These 2018 sales have an assessed-value-to-sale-price ratio range of 0.88 to 1.18, with an average and median ratio of 0.99.

## Analysis & Conclusions of Law

Cummings contends the subject property is inequitably assessed and over assessed. § 441.37(1)(a)(1 & 2).

To prove inequity, a taxpayer may show an assessor did not apply an assessing method uniformly to similarly situated or comparable properties. *Eagle Food Centers v. Bd. of Review of the City of Davenport*, 497 N.W.2d 860, 865 (Iowa 1993). Cummings offered no evidence of the Assessor applying an assessment method in a non-uniform manner.

Alternatively, a taxpayer may show the property is assessed higher proportionately than other like property using criteria set forth in *Maxwell v. Shivers*, 133 N.W.2d 709 (Iowa 1965). The *Maxwell* test provides that inequity exists when, after

considering the actual values (2018 sales) and assessed values (2019 assessments) of comparable properties, the subject property is assessed at a higher portion of its actual value. *Id.* The record includes multiple sales that can be considered to develop a ratio analysis. The sales indicate that in general, properties like the subject are assessed at or slightly below their market value. Nevertheless, because a showing of the subject's actual value is also required in an over assessment claim, we will forego further analysis of the inequity claim and turn our focus to the over assessment claim.

Cummings claims his property is assessed for more than the value authorized by law. In an appeal alleging the property is assessed for more than the value authorized by law under Iowa Code section 441.37(1)(a)(2), the taxpayer must show: 1) the assessment is excessive and 2) the subject property's correct value. *Soifer v. Floyd Cnty. Bd. of Review*, 759 N.W.2d 775, 780 (Iowa 2009) (citation omitted). Sale prices of the subject property or comparable properties in normal transactions are to be considered in arriving at market value. § 441.21(1)(b). Other approaches, such as cost and income, should only be considered if comparable sales cannot readily establish the subject property's market value. § 441.21(2). Typically, market value is demonstrated with a competent appraisal or comparative market analysis considering, at minimum, the sales comparison approach to value.

Cummings submitted two sales that appear similar in style and location but have 33% to 40% less gross living area than the subject property. Cummings made no adjustments to these properties for differences between them and the subject property to arrive at an opinion of the January 1, 2019 market value. Although also unadjusted, the Board of Review submitted seven 2018 sales of properties bracketing the subject in terms of age and size. Those sales indicate the subject property's assessment is not excessive.

Viewing the record as a whole, we find Cummings failed to support his claims.

## **Order**

PAAB HEREBY AFFIRMS the Sioux City Board of Review's action.

This Order shall be considered final agency action for the purposes of Iowa Code Chapter 17A.

Any application for reconsideration or rehearing shall be filed with PAAB within 20 days of the date of this Order and comply with the requirements of PAAB administrative rules. Such application will stay the period for filing a judicial review action.

Any judicial action challenging this Order shall be filed in the district court where the property is located within 30 days of the date of this Order and comply with the requirements of Iowa Code section 441.37B and Chapter 17A.19 (2019).



Dennis Loll, Board Member



Karen Oberman, Board Member



Elizabeth Goodman, Board Member

Copies to:

Callin Cummings by eFile

Sioux City Board of Review by eFile